Overview

- **What is market research (MR)?**
- **Why do MR?**
- **Who does MR?**
- **When do you do MR?**
- **How do you do MR?**
- **Market Research Principles**

What is Market Research?

- **FAR definition:**

  “collecting and analyzing information about capabilities within the market to satisfy agency needs”

Window Shopping!!

What is Market Research?

- **Market research is a continuous process for gathering data on**
  - **product characteristics**
  - **suppliers capabilities**
  - **business practices**
  - **PLUS the analysis of that information to make acquisition decisions**

What is Market Research?

- **Commercial Item**
  - **any item or service that is of a type customarily used for non-governmental purposes**
  - **that has been sold, leased or licensed to the general public or has been offered for sale, lease or license to the general public**
  - **May also include items that will be available in the future or that require some modification**

Why do Market Research?

- **Optimize the potential for use of commercial items/services**
- **Opens communication channels**
- **Make an informed business decision**
- **DoD can no longer afford not to**

It Just Makes Good Business Sense!!

Why do Market Research?

- **Agencies are required to conduct market research appropriate to the circumstances:**
  - **While developing (finalizing) new requirements documents for any acquisition;**
  - **Before soliciting offers for acquisitions exceeding the simplified acquisition threshold (SAT); and**
  - **Before soliciting offers for acquisitions under the SAT when adequate**

Why do Market Research?

Open Communication Channels

- **Acquisition Team**
  - **Key word is "team"**
  - **Brainstorming**
  - **Discussions**
- **Industry**
  - **Develop new potential sources**
  - **Update knowledge of tech advancements**
  - **Understand common marketplace practices**

No Room for Adversarial

Why do Market Research?

- **Make an informed business decision**
  - **Type of contract**
  - **Use of incentives**
  - **Best Value**
  - **Small business considerations**

Who Does Market Research?

Everyone!!

Who Does Market Research?

DCMC

B R A G

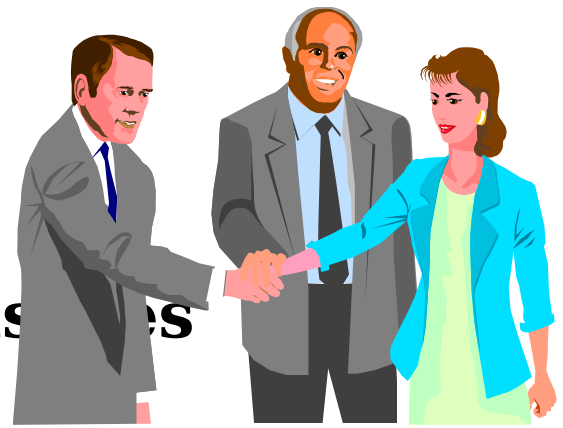
DFAS

Who Does Market Research?

- **Business Requirements and Advisory Group (BRAG)**

  A customer-focused multifunctional team to plan and manage service contracts

  - **Market Research**
  - **Requirements Definition**
  - **Contract Structure**
  - **Quality/Surveillance Meas es**
  - **Contractors Input**



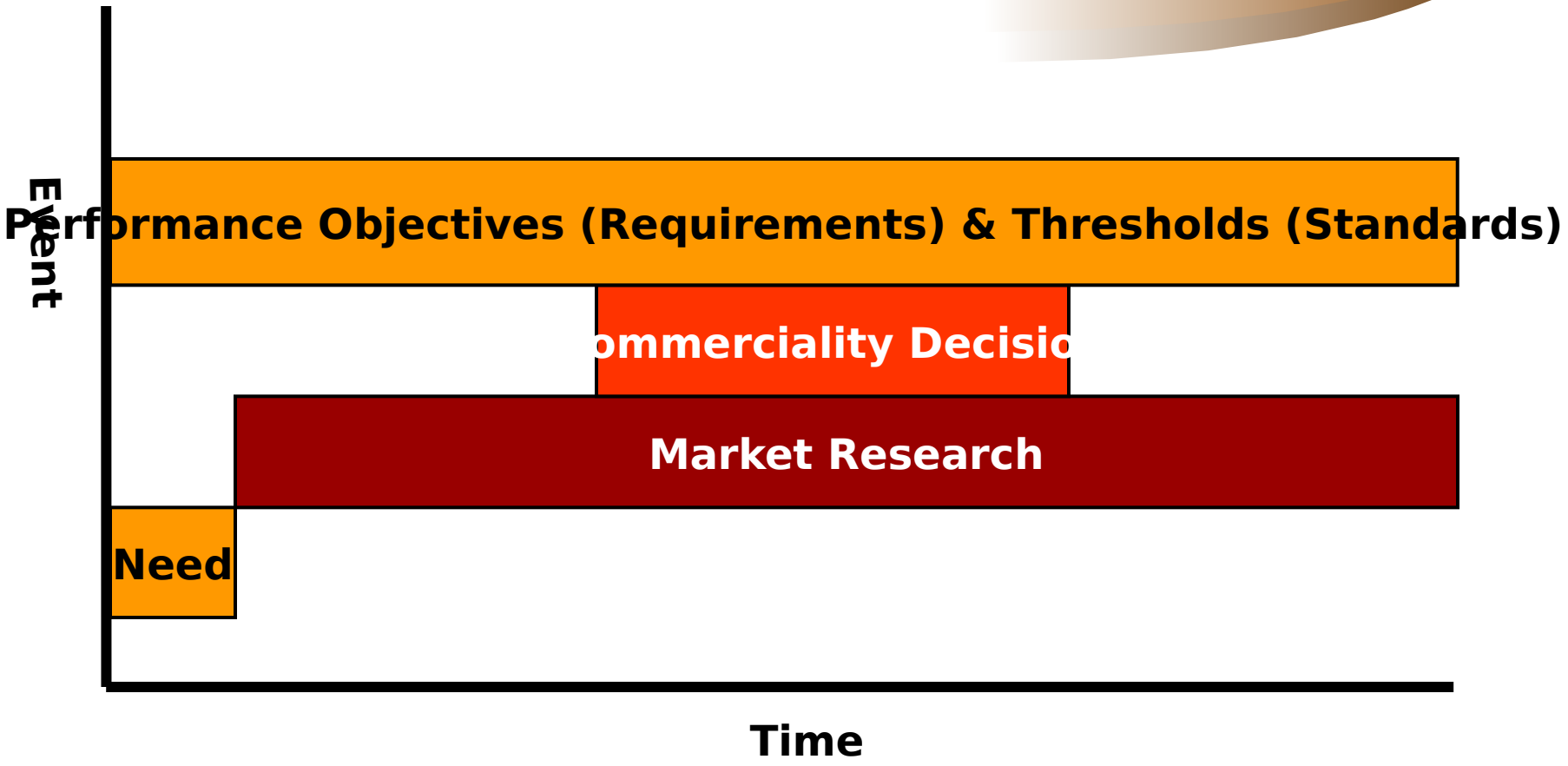
When do You do Market Research?

- **As Part of Acquisition Planning**
  - **You should budget time and dollars for MR**
- **Before Making Commerciality Determination**

When do You do Market Research?

- **During the Development of the Program Requirements**
  - **To determine if commercial, non-developmental or developmental item or service**
  - **To identify commercial standards**
  - **To identify commercial QA practices**
  - **To write a performance-based work statement**

When do You do Market Research?



How do You do Market Research?

- **Brainstorming Guidance**
  - **Facilitated by MR Group Leader**
    - **Makes initial suggestions to begin session**
    - **Tracks time**
    - **Writes down ideas**
    - **Reminds everyone of “rules”**
  - **Establish Time Limit**
  - **No Editing**
  - **No Discussion**
  - **When Done Compile and Refine List**

How do You do Market Research?

- **Establish a basic needs Statement**
  - **Can be as simple as 1 or 2 sentences**
  - **Should be outcome oriented**
  - **MR will help develop statement further**
- **Identify sources of information for market research**

How do You do Market Research?

- **Group members research sources of information**
  - **Objective of researching sources of information is to find potential sources contractor/vendors with whom you'll be able to exchange information with**
- **Group refines/develops list of companies, users who will be contacted**

How do You do Market Research?

- **Develop list of proposed questions**
- **Determine methods to be used**
  - **Personal contact**
  - **Telephone contact**
  - **Comprehensive questionnaire**
  - **Request for Information**

How do You do Market Research?

- **Analyze results of market research**
  - **Support commerciality decision**
  - **Translate market research findings into PWS requirements**
    - **Example: If findings revealed standards for warranties ranged between 1 and 2 years, question if a 5 year warranty is necessary**
- **Document details in report**
- **Post on homepage or BSX Web Page**

Principles of Market Research

- **Start Early**
- **Involve Users**
- **Communicate**
- **Think of Market Research as an Iterative Process**
- **Tailor the Investigation**
- **Refine as you Proceed**

Principles of Market Research

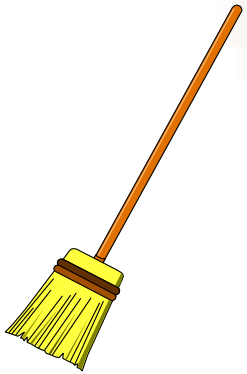
- **Start Early**
  - **Prior to Milestone 0**
  - **Budget time and money**
- **Involve Users**
  - **In addition to formal (BRAG) lines of communication, establish informal ones with actual users**
- **Communicate**
  - **Don’t limit efforts to companies traditionally dealt with in the Government market**

Principles of Market Research

- **Think of Market Research as an iterative process**
  - **Used to determine commercial availability**
  - **Used to identify commercial practices, standards to incorporate in PWS**
  - **Used to support business decisions**
- **Refine as you proceed**

Principles of Market Research

VS



- **Tailor the investigation**
  - **Dependent on complexity, urgency, estimated dollar value, information readily availab[illegible]nd past experience**

Questions?